

AMENDED IN ASSEMBLY APRIL 3, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 2871

Introduced by Assembly Member Goldberg

February 25, 2002

An act to *add Sections 264, 264.1, 264.2, 264.3, and 264.4 to the Financial Code, and to amend Section 11121.1 of the Government Code, and to add Division 4.6 (commencing with Section 13500) to the Financial Code,* relating to banks.

LEGISLATIVE COUNSEL'S DIGEST

AB 2871, as amended, Goldberg. ~~Community banks~~ *Banks*.

(1) Existing law provides for the regulation of state-chartered banks by the Commissioner of Financial Institutions.

This bill would ~~enact the California Community Bank Law. The bill would provide for the regulation of state-chartered community banks by the commissioner and the Division of Community Banks which would be established in the Department of Financial Institutions and headed by Deputy Commissioner of Financial Institutions for the Division of Community Banks. The bill would require the deputy commissioner to administer the laws relating to community banks under the direction of the commissioner. The bill would establish a Community Bank Advisory Committee in the department~~ *Department of Financial Institutions* to advise the commissioner ~~and the deputy commissioner~~ on matters relating to ~~community~~ banks.

(2) The Bagley-Keene Open Meeting Act requires, with specified exceptions, that all meetings of a state body be open and public and all persons be permitted to attend any meeting of a state body.

This bill would exempt the ~~Community~~ Bank Advisory Committee from these requirements.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1.—Division 4.6 (commencing with Section 13500)~~
2 ~~is added to the Financial Code, to read:~~

3
4 ~~DIVISION 4.6.—COMMUNITY BANKS~~

5
6 ~~CHAPTER 1.—GENERAL PROVISIONS~~

7
8 ~~13500.—This division shall be known as the “California~~
9 ~~Community Bank Law.”~~

10
11 ~~CHAPTER 2.—ADMINISTRATION~~

12
13 ~~Article 1.—General~~

14
15 ~~13550.—The powers of supervision and examination of all~~
16 ~~state-chartered community banks organized under the provisions~~
17 ~~of this division are vested in the commissioner.~~

18 ~~13551.—There is in the Department of Financial Institutions,~~
19 ~~the Division of Community Banks. The Division of Community~~
20 ~~Banks has charge of the execution of the laws of this state relating~~
21 ~~to state-chartered community banks or the community bank~~
22 ~~business.~~

23 ~~13552.—The chief officer of the Division of Community Banks~~
24 ~~is the Deputy Commissioner of Financial Institutions for the~~
25 ~~Division of Community Banks. The Deputy Commissioner of~~
26 ~~Financial Institutions for the Division of Community Banks shall~~
27 ~~administer the laws of this state relating to community banks or the~~
28 ~~community bank business under the direction of and on behalf of~~
29 ~~the commissioner. The Deputy Commissioner of Financial~~
30 ~~Institutions for the Division of Community Banks shall be~~
31 ~~appointed by the Governor and shall hold office at the pleasure of~~
32 ~~the Governor. The Deputy Commissioner of Financial Institutions~~

1 ~~for the Division of Community Banks shall receive an annual~~
2 ~~salary as fixed by the Governor.~~

3
4 ~~Article 2. Community Bank Advisory Committee~~

5
6 ~~13560.~~

7 *SECTION 1. Section 264 is added to the Financial Code, to*
8 *read:*

9 264. There is established in the department a ~~Community~~
10 Bank Advisory Committee.

11 ~~13561.~~

12 *SEC. 2. Section 264.1 is added to the Financial Code, to read:*

13 264.1. The ~~Community~~ Bank Advisory Committee shall
14 advise the commissioner ~~and the Deputy Commissioner of~~
15 ~~Financial Institutions for the Division of Community Banks on on~~
16 matters relating to ~~community~~ banks.

17 ~~13562.~~

18 *SEC. 3. Section 264.2 is added to the Financial Code, to read:*

19 264.2. (a) The ~~Community~~ Bank Advisory Committee
20 consists of seven members.

21 (b) The members of the ~~Community~~ Bank Advisory
22 Committee shall be appointed by the Secretary of the Business,
23 Transportation and Housing Agency.

24 (c) The term of a member of the ~~Community~~ Bank Advisory
25 Committee is two years. However, a member may be reappointed.

26 (d) Membership in the ~~Community~~ Bank Advisory Committee
27 is voluntary. A person shall not be required to accept an
28 appointment to the ~~Community~~ Bank Advisory Committee, and
29 any member may resign by filing a resignation with the
30 commissioner.

31 (e) A member of the ~~Community~~ Bank Advisory Committee
32 shall not receive any compensation, reimbursement for expenses,
33 or other payment from the state in connection with service on the
34 ~~Community~~ Bank Advisory Committee.

35 ~~13563.~~

36 *SEC. 4. Section 264.3 is added to the Financial Code, to read:*

37 264.3. The ~~Community~~ Bank Advisory Committee shall meet
38 at least once each calendar quarter.

39 ~~13564.~~

40 *SEC. 5. Section 264.4 is added to the Financial Code, to read:*

1 264.4. The commissioner may by order or regulation
2 prescribe rules governing the ~~Community~~ Bank Advisory
3 Committee and its members, including on matters relating to
4 meetings, quorum, and actions.

5 ~~SEC. 2.~~

6 SEC. 6. Section 11121.1 of the Government Code is amended
7 to read:

8 11121.1. As used in this article, “state body” does not include
9 any of the following:

10 (a) State agencies provided for in Article VI of the California
11 Constitution.

12 (b) Districts or other local agencies whose meetings are
13 required to be open to the public pursuant to the Ralph M. Brown
14 Act (Chapter 9 (commencing with Section 54950) of Part 1 of
15 Division 2 of Title 5).

16 (c) State agencies provided for in Article IV of the California
17 Constitution whose meetings are required to be open to the public
18 pursuant to the Grunsky-Burton Open Meeting Act (Article 2.2
19 (commencing with Section 9027) of Chapter 1.5 of Part 1 of
20 Division 2 of Title 2).

21 (d) State agencies when they are conducting proceedings
22 pursuant to Section 3596.

23 (e) State agencies provided for in Section 109260 of the Health
24 and Safety Code, except as provided in Section 109390 of the
25 Health and Safety Code.

26 (f) State agencies provided for in Section 11770.5 of the
27 Insurance Code.

28 (g) The Credit Union Advisory Committee established
29 pursuant to Section 14380 of the Financial Code.

30 (h) The ~~Community~~ Bank Advisory Committee established
31 pursuant to Section ~~13560~~ 264 of the Financial Code.